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Date: 11/19/2014 1:52:54 PM

Subject: FW: Article on New Three Affiliated Chairman

From: Card, Joan
Sent: Wednesday, November 19, 2014 12:04 PM
To: R8 SLT
Subject: FW: Article on New Three Affiliated Chairman

From: Wenstrom, Michael

Sent: Wednesday, November 19, 2014 11:36 AM

To: Darling, Corbin; Belille, Jean; Beeler, Cindy; North, Alexis; Card, Joan

Subject: Article on New Three Affiliated Chairman

You may have seen this in the Bismarck Tribune.

But, if not...

Michael

New tribal leader seeks partnerships to solve oil issues

Kathleen J. Bryan, Forum News Service Bismarck Tribune

22 minutes ago • [By Kathleen J. Bryan, Forum News Service](#)

NEW TOWN, N.D. -- With just two weeks in office, newly elected Three Affiliated Tribes Chairman Mark Fox is seeking a partnership with state and federal governments to tackle issues facing the tribe, a strategy, he says, the previous administration was not apt to do.

In a meeting with Gov. Jack Dalrymple on Monday, after a celebratory ribbon cutting for a new bypass that diverts traffic around New Town, Fox said the two discussed topics ranging from infrastructure needs to traffic concerns and the rising crime on the oil-rich Fort Berthold Indian Reservation in northwest North Dakota.

The talk also turned to the oil industry, the “pressures” and how the tribe engages with industry, specifically Fox’s policy position he calls “responsible development.”

“We want to support development of the oil industry on our reservation, but we want to do it in such a way that we have somewhere to live 25 years from now. And that means what I refer (to) as responsible development, getting assurances that we can stop these leaks and contaminations (and) impacts to our reservation,” Fox said.

With increased money coming to the tribe as a result of the oil boom — roughly \$1 billion over the past six years by tribal attorney Damon Williams’ estimate, and with a \$533 million budget in the last fiscal year — the tribe stands at a crossroads trying to balance environmental protection with energy interests and investment for the future.

Fox said Dalrymple did not make any promises, however, the governor was supportive of Fox's proposed task force between the oil industry and the tribe, going a step further by asking the tribe to conduct "tabletop exercises" on environmental response.

"He wants us to sit down with the state and start figuring out when these spills occur, how do we respond together — the tribe, the state, the feds — how do we all get rolling together so that it minimizes impact," Fox said.

The tribe has primary jurisdiction to deal with spills that occur on the reservation, he said. But federal agencies — the Environmental Protection Agency, the Bureau of Indian Affairs and the Bureau of Land Management — play a role as well.

Fox said the tribe is tasked with responding to spills such as the 1-million gallon saltwater release near Lake Sakakawea in early July, but the federal government, which is starting to "get more aggressive," is key, too. He said an upcoming meeting with federal partners will address the role they will play in future incidents.

The response to the July spill was handled by the administration of former tribal Chairman Tex Hall. Fox and Williams, the tribal attorney, defeated Hall in a September primary amid questions about Hall's oil business dealings.

Fox won over Williams in the November election.

Committed to helping the tribe's environmental and natural resources departments to be more proactive in their response, Fox said he knows the tribe has primary jurisdiction when incidents occur on tribal land, tribal fee land or trust land.

"We recognize that, but the difference here now is that I'm willing to sit down with the state to say ... let's sit down together and figure out how we respond jointly because the state's resources are far greater than our own," he said, adding the circle of teamwork would include the federal government — all working together to assess, clean up or prevent.

Dalrymple said the meeting was a "get acquainted and congratulations," with the two men agreeing on many topics and pledging cooperation.

"Flaring was a concern, pipeline easements was a concern, getting water to various communities, getting enough power to the reservation is also a concern that he brought up," Dalrymple said.

In his monthly oil production update Friday, Department of Mineral Resources Director Lynn Helms reported the percentage of natural gas flared dropped to 24 percent, noting significant improvement on the Fort Berthold Indian Reservation, which has lagged behind the rest of the state in reducing flaring.

Fox said it is not a deliberate choice by the tribe to allow flaring, but a consequence of how spacing and drilling are done as well as the challenges of pipeline construction on the reservation's topography and the impediment Lake Sakakawea presents to reaching transportation corridors.

Partnering with oil producers and developers to drill wells is what Fox calls the "sovereignty model." Rather than relying on royalties and taxes, the tribe is getting involved in taking its own raw product, developing it and pushing it to market and

making 5-10 times more money,” Fox said.

He sees the tribe eventually overseeing the full operation.

The tribe is building its own refinery, Thunder Butte Petroleum Services Refinery near Makoti, about 35 miles east of New Town. Phase 1 of the refinery is expected to be completed in two years, possibly early 2017, with some possible cost-cutting modifications made, Fox said.

It is part of a new era for the tribe, one in which Fox hopes to engage all stakeholders to help him push back on crime, including drug trafficking, and lessen potential environmental problems. He hopes the day will come when the tribe will only need minimal assistance, but for now the impacts of oil development are unprecedented.

“To protect our reservation, to protect our people, to protect our environment, we need all the resources we can get. And I don't think it amounts to us surrendering any sovereignty at all,” Fox said. “In fact, I think it strengthens our sovereignty ... to say, 'Let's get a group together here, form a group that addresses these needs.'”